



0000038669

AGENDA ITEM

RECEIVED

2001 JUL 23

AZ CORP COMMISSION
DOCUMENT CONTROLORIGINAL
ORIGINALlightsource
telecom™

July 20, 2001

VIA OVERNIGHT DELIVERY

Arizona Corporation Commission
Docket Control Center
1200 West Washington
Phoenix, Arizona 85007-2996

Arizona Corporation Commission

DOCKETED

JUL 23 2001

DOCKETED BY

Re: Request to Remove Application of LightSource Telecom I, LLC
Docket No. T-03940A-00-0771 From Commission's Open Meeting
Scheduled for July 24, 2001

Dear Sir/Madam:

By this letter, LightSource Telecom I, LLC ("LightSource" or "Company") requests that the Commission delay consideration of its Application for a Certificate of Convenience and Necessity ("CC&N") in the above referenced docket by removing this docketed item from the Commission's Open Meeting scheduled for July 24, 2001.

The purpose of this request is to allow the Company more time to consider whether it wishes to obtain a CC&N for the State of Arizona at the present time given the conditions set forth in the Proposed Order submitted by the Administrative Law Judge in this case on July 9, 2001. Specifically, the Company is considering the requirement that it procure a \$100,000 performance bond within 90 days of an Order in this matter. This bond will cost the Company tens of thousands of dollars annually.

While the Company originally anticipated entering the market in Arizona in the next year to eighteen months, it may not make sense from a business perspective to obtain a CC&N, and pay for a bond, until the Company is closer to turning up service in the State. This is particularly true given that the Company's CC&N needs to be in place at least one year in advance of the Company's first service date in order to market, plan, construct and turn up the facilities based residential services the Company offers. The requirement that the Company carry a performance bond costing tens of thousands of dollars to cover deposits that the Company will not be

LightSource Telecom, LLC

10805 Parkridge Blvd., Suite 150, Reston, VA 20191 Phone: 703-648-3400 Fax: 703-648-3422 www.lightsource.net

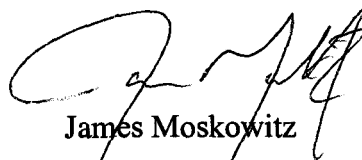
Page 2

collecting, during a period when it will not be providing service, dictates that the Company reevaluate its market entry priorities.

Thus, for the foregoing reasons, LightSource requests that its Application for a CC&N be removed from the upcoming Commission Open Meeting while the Company reevaluates its entry strategy in Arizona given the conditions contained in the Proposed Order.

Should you have any questions, please feel free to contact the undersigned at (703) 648-3407.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'J. Moskowitz', is written over the printed name.

James Moskowitz

Senior Counsel - Regulatory Affairs